

**Industrial  
Disability  
Retirement**



*California  
Public  
Employees'  
Retirement  
System*



## **Industrial Disability Retirement**

### *How do I qualify for a CalPERS Industrial Disability Retirement?*

You must submit medical evidence to show you meet the disability criteria under CalPERS law. This means you must be substantially unable to perform the duties of your job because of a work-related injury or illness which is expected to be permanent or to last indefinitely.

You must *also* be a CalPERS member in one of the following member categories:

- state or local safety member,
- state peace officer/firefighter member,
- patrol member,
- state industrial member (limitations apply\*),
- local miscellaneous member (**if** your employer has contracted with CalPERS to provide industrial disability retirement for their miscellaneous members), or
- certain state miscellaneous members as specified in the retirement law.

\*If you are a state industrial member, you must *also* meet the following criteria:

- you must show that your illness or injury was the direct result of a violent attack upon your person by an inmate or parolee of the Department of Corrections, the Youth Authority, or by a patient of a forensic facility of the Department of Mental Health.



If you are a state member in a bargaining unit which has agreed to be subject to the NextStep Program:

- you must show that your illness or injury substantially prevents you from performing *any job in state service* as determined by the Department of Personnel Administration and was either caused by your job or (for state industrial members) was caused by an inmate attack. Contact your employer to get your application for NextSTEP retirement. Your NextSTEP application should be submitted directly to the Department of Personnel Administration.

There is no minimum service or age requirement for a CalPERS industrial disability retirement.

If your disability is not job-related, or if your employer does not provide industrial disability retirement for miscellaneous members, you may be eligible for another type of disability retirement. See our booklet *Disability Retirement* (PERS-PUB-10).

***What if I have already  
been approved for Workers'  
Compensation benefits?***

A Workers' Compensation award does **not** automatically entitle you to a CalPERS industrial disability retirement. Medical evidence will be required to show that you meet the CalPERS definition of disability. If you do, your Workers' Compensation award for the same illness or injury can be used to establish that your condition is job-related.

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## ***When do I apply for a CalPERS Industrial Disability Retirement?***

You may apply:

- while in CalPERS-covered employment, or
- within four months of separation from employment, or
- at any time if you had separated from your job because of a disability and have remained disabled since then, or
- while on military or approved leave.

You should submit your application to CalPERS as soon as you feel your medical condition prevents you from returning to your job. If you have filed a claim for Workers' Compensation benefits, *it is not necessary to wait until your claim has been settled and/or determined permanent and stationary before applying to CalPERS for industrial disability retirement.* Waiting to file until your Workers' Compensation claim is settled or your condition is permanent and stationary can cause your CalPERS benefits to be delayed. (See Page 6 on Retirement Effective Date.)

**Important:** You will *not* be eligible to apply for industrial disability retirement if, after separation from employment, you take a refund of your CalPERS member contributions and interest. A refund terminates your membership in CalPERS and eliminates your entitlement to any future benefits.

## *Where do I apply?*

If you meet the above requirements, you or someone on your behalf, such as your employer, may file an Application for Disability Retirement (PERS-BAS-369D-F) available from your employer or CalPERS. The application should be mailed directly to CalPERS.

If you are a state member in a bargaining unit which has agreed to the NextSTEP Program, you should apply for industrial disability retirement on a separate application to the Department of Personnel Administration (see your employer).

## *How do I apply for a CalPERS Industrial Disability Retirement?*

To apply for industrial disability retirement, refer to our booklet *Your Application For Disability Retirement* (PERS-PUB-35). It is important to familiarize yourself with the information contained in the booklet and follow the instructions to begin the disability retirement process.

### **Fishhook Cactus**

*Mammillaria microcarpa*

*This native of the Sonoran Desert is covered with small fishing hook-shaped spines which act as leaves. The spines are an adaptation to the arid conditions of the desert. With a reduced surface area these spines reduce the amount of water lost. Virtually the entire cactus is composed of food and water-storing tissues. Even the lightest rain is a bountiful meal.*



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***What if I am  
also eligible for  
Service Retirement?***

If you are eligible for service retirement (in most cases age 50 with five years of service credit), you may retire for either industrial disability or service retirement. You may also apply for “service retirement pending industrial disability retirement” and begin receiving your service retirement allowance while a disability determination is being made. However, if you retire for service and your industrial disability application is denied, you will not have mandatory return rights to employment.

Your decision on whether to file for a service or industrial disability retirement may be based on allowance comparisons, taxes, or other considerations. CalPERS cannot give tax advice. We can, however, calculate estimates for both types of retirement to help you make your decision.

***Who makes the  
determination of  
whether or not  
I am disabled?***

If you are a local safety member (other than a school safety member), your employer makes this determination. After CalPERS receives your application, a request for a determination will be sent to your employer.

If you are a state member in a bargaining unit which has agreed to be subject to the Next STEP Program, the Department of Personnel Administration makes this determination.



For all other members, CalPERS makes the disability determination.

In all cases, the determination is a two-part decision:

- whether you are permanently and substantially disabled for the job, and
- whether your disability is industrial (job-related).

***How long will it take  
before a disability  
determination is made?***

The length of time depends on how quickly the necessary medical information is received. Local agencies are required to make their determinations within six months of the member's application unless the member waives this timeframe. CalPERS is required to make determinations within three months of receipt of all required information.

***If my application  
is approved,  
how will my  
retirement effective date  
be established?***

If you are approved for industrial disability retirement, you will be retired immediately. Your retirement effective date will be the day following your last day on pay status as long as your application for retirement was submitted on or before the end of that month. (Example: If your last day at work was June 15, your application must be received on or before June 30 in order for your retirement date to be June 16, the day following your last day at work.)





Although you may not continue to work, your retirement date may be later than your last day worked if you have any compensating time such as sick leave. Ask your employer about any compensating time you may use to defer your retirement date.

Vacation time cannot be used to defer your retirement date after you are approved for industrial disability. Most employers will make a lump sum payment for any vacation time you may have.

***What happens if my  
application is denied?***

If it is determined that you are not disabled, you may appeal this decision. You must appeal to the authority which made the initial determination (for example, CalPERS, the local agency or the Department of Personnel Administration).

If your disability application is denied and you were not separated from your job for any other reason (for example, separation for cause or service retirement), you may return to work.

If it is determined that you are disabled but that your disability is not job-related, you may appeal this decision to the Workers' Compensation Appeals Board.

## Your Allowance

### *How much will I receive?*

Generally, your industrial disability retirement allowance will be 50% of your final compensation<sup>1</sup>. However, your benefit is **limited to the amount** that you would have received for a service retirement if you had worked to age 55 as a state safety, state peace officer/firefighter, patrol or local safety member, age 63 as a miscellaneous member or age 65 as a state Second-Tier member. This limit could result in your receiving a benefit that is substantially less than 50% of your final compensation.

The limit above *does not apply*:

- if you entered your CalPERS membership category on January 1, 1980 or earlier, or
- if you were disabled as a direct result of a violent act upon your person, or while performing those duties of your job which are *particularly* hazardous and dangerous, or
- if you are a local safety member employed by one of the following agencies which have contracted to offer the improved

<sup>1</sup> For state members (and some local agency members), “final compensation” means the highest annual compensation earnable during any consecutive 12-month period during CalPERS membership. For all other members, final compensation means the highest average annual compensation earnable during the three years immediately preceding the retirement effective date, unless the member elects a different three-year period.



industrial disability retirement benefit of 50% - 90% of final compensation:

City of Torrance (fire and police);  
City of Oxnard (police);  
East Kern Airport District (fire); and  
California Firefighter's Joint  
Apprenticeship Committee (fire).

If you are a state member in a bargaining unit which has agreed to be subject to the NextSTEP Program, your benefit will be 60% of your final compensation subject to the same limitations and exclusions previously described.

If you qualify for service retirement and your service retirement allowance is greater than your industrial disability allowance, you will be paid the service retirement allowance for your industrial disability retirement.

### **California Palm**

*Washingtonia filifera*

*The only native palm on the West Coast, the California palm is at home in the desert or along our city avenues.*

*A common sight, this dignified palm grows to form massive columns two-and-a-half feet in diameter and up to 60 feet tall. It is also called the "petticoat-palm" due to the fringe of dead leaves skirting the base of its crown.*

*The California Indians ate the fan palm's berries.*





## **Other Considerations**

### *Health Insurance*

Not all health insurance plans continue into retirement. It is important that before you separate from employment, you ask your employer about keeping your current health insurance or getting a new plan.

### *Taxes*

You should contact the IRS and other tax authorities with any questions regarding the taxability of your retirement allowance.

### *Providing for your Beneficiaries*

You may choose to modify (reduce) your disability allowance to provide benefits to someone after your death, by selecting one of six optional settlements.

In addition, eligible survivors may be paid a monthly allowance after your death if your employer provides the Survivor Continuation Benefit.

The six optional settlements and the Survivor Continuation Benefit are explained in detail in your CalPERS member benefit booklet available from your employer or CalPERS.



## ***Working after Retirement***

As long as you are performing duties within the limitations of your disabling condition, you may be employed without restriction by any private employer or any public agency not covered under CalPERS. You may not be employed by any agency covered under CalPERS without reinstating from disability retirement, unless exception is provided under the retirement law (contact CalPERS, Post Retirement Services Division for the exceptions).

## ***Reinstatement from Retirement***

If you recover from your disability and wish to return to employment covered by CalPERS, you must first apply to CalPERS for reinstatement from retirement. If the medical evidence shows to the satisfaction of the Board that you have recovered, you will be approved for reinstatement from retirement.

A state employee who was separated for disability and who subsequently has been approved for reinstatement to his or her former job, has an automatic right to reemployment. Local agency and school members should check with their employers to determine their reemployment rights. Once you have been reemployed, your allowance will stop and you will be returned to active CalPERS membership.

## For More Information

### Benefit Application Services Division

P.O. Box 942711

Sacramento, CA 94229-2711

(916) 326-3232

(916) 326-3240 – Teletypewriter (TTY)

(916) 326-3934 – Fax

### Post Retirement Services Division

P.O. Box 942716

Sacramento, CA 94229-2716

(916) 326-3848 or (800) 352-2238

(916) 326-3240 — Teletypewriter (TTY)

(916) 326-3933 — Fax

### Area and Field Offices

Refer to *Do You Have The Right Number?*

(PERS-PUB-19) for a directory to CalPERS

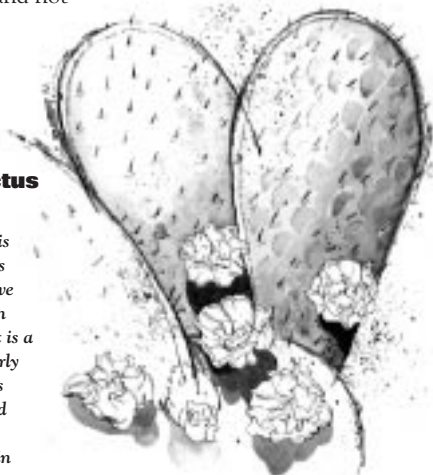
Area and Field Office locations.

While reading this material, remember that we are governed by the California Public Employees' Retirement Law. The statements in this booklet are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

### Beavertail Cactus

*Optunia basilaris*

*The beavertail cactus is found on the rocky flats and slopes of the Mojave and Sonoran Deserts in Southern California. It is a spectacular sight in early spring when the cactus becomes a blaze of vivid magenta flowers. This makes it very popular in many California gardens.*



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## How Did You Like This Brochure

If you would like to share your opinion of this brochure, please send us your ideas. Your constructive comments can help us make this brochure even better. Please answer the questions below and mail this page to the following address:

California Public Employees' Retirement System  
Office of Public Affairs  
P.O. Box 1802, Sacramento, CA 95812-1802

1. This brochure is designed to provide an overview of retirement information. Did you get a useful overview of the information from reading this brochure?  
☐Yes ☐No If no, what do you find lacking?

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2. Did you have questions after reading any sections?  
☐Yes ☐No If yes, in what sections do you have questions, and what are your questions?

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3. Did you find any sections particularly helpful?  
☐Yes ☐No If yes, which sections?

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4. Did you find yourself wanting additional information on any subjects?  
☐Yes ☐No If yes, which subjects?

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5. If you have other comments, please share them below.

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